

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Proposed Policies and Programs
Governing Post-2003 Low-Income Assistance
Programs.

Rulemaking 04-01-006
(Filed January 8, 2004)

**SCOPING MEMO OF ASSIGNED COMMISSIONER
AND ADMINISTRATIVE LAW JUDGE**

This Scoping Memo determines the schedule and the issues to be addressed in this proceeding. This ruling follows a prehearing conference (PHC) held on May 18, 2004.

I. Background

The Commission oversees and has opened this proceeding to manage two energy programs that serve low-income energy utility customers. The first, the Low Income Energy Efficiency (LIEE) program, provides qualified low-income households with energy efficient appliances and weatherization measures at no cost to the participant. The second, California Alternate Rates For Energy (CARE), provides rate assistance to large investor owned utility (IOU)¹ and Small and Multi-Jurisdictional Utility (SMJU) customers. The Public Goods Charge (PGC), which appears on ratepayer bills, funds each program.

¹ The large IOUs are Southern California Edison (Edison), Southern California Gas Company (SoCalGas), San Diego Gas and Electric Company (SDG&E), and Pacific Gas and Electric Company (PG&E).

There are several tasks the Commission must undertake in the next 18 months to ensure that low-income ratepayers have LIEE and CARE services. The first task involves reviewing and approving the IOU and SMJU plans for 2005. The Commission also requires regular reporting by the IOUs and SMJUs.

The Commission is also engaged in ongoing review, planning, auditing, and needs assessment to ensure that the LIEE and CARE programs reach their intended customers, are cost effective, enhance the well being of recipients, are understandable, and meet appropriate needs. To this end, the Commission periodically audits various aspects of the LIEE and CARE programs; updates manuals relevant to the programs; conducts needs assessments to ensure that PGC funds are being spent appropriately and where needed; asks the utilities to standardize their offerings so customers receive similar services wherever they live in California; and takes steps to ensure that the maximum number of eligible ratepayers are enrolled in and receive LIEE and CARE services.

This scoping memo addresses the progress the Commission intends to make in the next 18 months on LIEE and CARE programs. A list of all tasks we intend to accomplish appears below. Clearly, LIEE and CARE programs will continue after the expiration of the 18-month period allotted for this proceeding. Thus, we anticipate either closing this proceeding and opening a new one at the expiration of the 18-month period, or extending this proceeding at or near the 18-month deadline in acknowledgement that LIEE and CARE offerings are ongoing IOU/SMJU programs.

The following scope and schedule are subject to revision at the option of the Assigned Commissioner and Assigned Administrative Law Judge (ALJ). This scoping memo does not generally include issues that belong in other existing proceedings, such as the Commission's Annual Earnings Assessment

Proceeding (AEAP),² A.03-05-022 *et al.*; its non-low-income energy efficiency proceeding, R.01-08-028; or the Baseline proceeding's (R.01-05-047) adoption of a Family Electric Rate Assistance (FERA) program in D.04-04-057.

II. Scope and Schedule

We will consider the following issues (in no particular order) according to the following schedule during this proceeding:

CATEGORY	PROCEEDING / PROJECT	RELEVANT AUTHORIZING ORDERS	TIME FRAME / SCHEDULE / COMMENTS	HEARINGS
All Low Income	1. Needs Assessment, Phase 2	D.03-01-020 and Wood ACR ³ 5/5/2004	Drafts and comments Fall 2004; final report near end of 2004	No
All Low Income	2. Low Income Oversight Board (LIOB or Board)	Public Utilities Code Section 382.1	Ongoing ⁴	No
All Low Income	3. Rapid Deployment	D.01-05-033	4, from large utilities; abbreviated form monthly, full report quarterly (1/21, 4/21,	

² In its PHC statement, the Commission's Office of Ratepayer Advocates (ORA) notes that four AEAP activities affect the programs in this proceeding, the Load Impact Study, the LIEE Annual Report, the Bill Savings Report, and the Annual IOU applications for recovery of shareholder incentive claims. The parties to this proceeding should continue to keep the assigned ALJ and Commissioner in this proceeding apprised of developments in the AEAP proceeding that affect LIEE and CARE programs, but we do not intend to address AEAP issues directly in this proceeding.

³ Assigned Commissioner Ruling.

⁴ At the PHC, parties, including the LIOB representative present, asked if there were an opportunity for more frequent LIOB meetings. The ALJ has inquired and it appears that at the current time, there is no budget authority to increase the number of meetings. This situation could change in the future. If they renew their request, it would be especially useful if the LIOB, and parties recommending additional LIOB meetings, identify in detail the necessary tasks that the LIOB is unable to accomplish with the current four-meeting allotment.

CATEGORY	PROCEEDING / PROJECT	RELEVANT AUTHORIZING ORDERS	TIME FRAME / SCHEDULE / COMMENTS	HEARINGS
			7/21, 10/21). PG&E and Edison request review of "Go-Back" rules	No
LIEE	4. Measure Assessment	D.02-12-019; D.03-11-020	Biannual, next in 2005 for 2006 program	No
LIEE	5. Weatherization Installation Standards (WIS) Manual - updates	D.03-11-020 (most recent)	Annual, before beginning of program (calendar) year	No
LIEE	6. Policy and Procedures Manual - updates	D.03-11-020 (most recent)	Annual, before beginning of program (calendar) year; complete for 2004	No
LIEE	7. NGAT state-wide Flue CO Testing Thresholds (standardization Phase 4.5)	D.02-12-019, D.03-11-020, and ALJ Thomas 3/25/2004 email	Hearings 7/26-7/27/04, 10-4	Yes
LIEE	8. Annual Large IOU Budget & Program Applications (4 utilities file - SCE, SoCalGas, SDG&E, and PG&E)	D.03-11-020 (most recent)	7/1/04 for 2005	No
LIEE	9. IOU per measure costs and explanations	D.03-11-020, OP 4	With item 7, 7/1/04. Include costs lying with third party contractors; large IOUs to make third party contractor cost breakdowns consistent; confidentiality issues can be addressed by filing under seal	No
LIEE	10. NGAT - testing in homes with IOU heat fuel and non-IOU combustion appliance (e.g., propane) (standardization Phase 4.5)	D.03-11-020	Undetermined, 2004-05; leverage with LIHEAP agencies. IOUs filed report recommending that IOUs individually negotiate with LIHEAP agencies to provide infiltration methods	No

CATEGORY	PROCEEDING / PROJECT	RELEVANT AUTHORIZING ORDERS	TIME FRAME / SCHEDULE / COMMENTS	HEARINGS
LIEE	11. PG&E Audit regarding rapid deployment	Res. G-3340, D.03-02-070, and Wood ACR 10/2/2003	One-time, expected completion 8/31/04, with comments thereafter	No
CARE	12. IOU applications on CARE Outreach, Administration & Budgets	D.02-09-021 (page 37, COL 3, and OP 8)	7/1/04 for 2005	No
CARE	13. Automatic Enrollment for IOUs	D.02-07-033 and Wood ACR 5/5/2004	In progress; Energy Division will keep service list informed of efforts; workshop not necessary at this time	No
CARE	14. IOU and SMJU Annual Reporting	Reporting Requirements Manual (RRM); D.89-07-062 and D.01-03-028	Annually, IOUs and SMJUs file 5/1 of each year; IOUs request streamlining of reporting requirements	No
CARE	15. IOU Program Audits	D.02-09-021 and Wood ACR 7/16/2003	Report due	No
CARE	16. CARE Evaluation	D.03-02-070	Study completed	No
CARE	17. IOU and SMJU Utility Annual Eligibility Estimates	RRM and D.02-07-033	Annually, filed 6/1 of each year; delayed in 2004 and thereafter to 9/15 due to unavailability of census data in June each year	No
CARE	18. IOU and SMJU Utility Advice Letters on CARE Applications and Eligibility Limits	E-3524	Annually, up to 12 (4 large utilities and 8 SMJU) filed June 1 of each year.	No
SMJU	19. Annual CARE/LIEE Program & Budget Applications (8 SMJU, most file applications)	D.03-12-016; D.03-03-007 (COL 9)	7 applications filed 7/1/04 for program (calendar) year 2005. Workshop 8/04; Mountain Utilities is exempt	No

CATEGORY	PROCEEDING / PROJECT	RELEVANT AUTHORIZING ORDERS	TIME FRAME / SCHEDULE / COMMENTS	HEARINGS
SMJU	20. CARE/LIEE Audits	D.03-03-007	For program years 2003 and 2004	No
SMJU	21. SMJU only Accounting & Reporting Requirements	D.03-03-007; Wood ACR 12/3/2003; Second Energy Division Workshop Report on the Review of the Accounting and Reporting Requirements for the California Alternate Rate for Energy (CARE) and Low Income Energy Efficiency (LIEE) Programs of the Small and Multi-Jurisdictional Utilities 4/5/04	SMJUs' first filing due 8/1/04 (covering 5/1-12/31/03), filing due 5/1/05 (for 1/1-12/31/04)	No

III. Questions Raised at the PHC

Parties appearing at the PHC raised a number of questions in person and in their PHC statements about the scope and schedule for this proceeding. To the extent they are not addressed in the foregoing table, responses appear below (in no particular order).

A. SMJU Reporting

The reporting shall be as set forth in the *Second Energy Division Workshop Report on the Review of the Accounting and Reporting Requirements for the California Alternate Rate for Energy (CARE) and Low Income Energy Efficiency (LIEE) Programs of the Small and Multi-Jurisdictional Utilities*, filed on April 5, 2004 (*Report*) in this proceeding. Southwest Gas Corporation, Sierra Pacific Power Company, Southern California Water Company as Bear Valley Electric Service, PacifiCorp, and Avista Corporation (SMJUs) filed comments on the *Report* April 19, 2004 and ORA filed reply comments on April 26, 2004.

ORA made two points. First, it objected to the SMJUs' statement in their comments that costs they do not recover in their 2003 LIEE budgets "should not be at risk." We wish to make clear that LIEE costs are to remain within budget.

If a utility incurs costs exceeding its budget, it may not recover those costs from PGC funds or otherwise from ratepayers without a Commission order. It is for this reason that the SMJUs' LIEE balancing accounts are "one-way" accounts. A one-way balancing account is so labeled because its usage requires the utilities to refund to ratepayers and/or to carry forward to subsequent years' budgets, funds reflected in rates but left unspent. Such an account does not allow the utilities to recover from ratepayers any expenditures in excess of the authorized amounts. Thus, we agree with ORA's objection.

Second, ORA objected to the SMJUs' statement in their comments that they may not be able to furnish all information about their LIEE and CARE programs required in the *Report*. ORA suggested that we deny the SMJUs' recommendation to permit them (SMJUs) to determine which information they cannot provide and to do so at the time they file future program status reports. ORA instead suggested that the SMJUs be required to explain in writing before the August 2004 reports are due which information they cannot provide and why. ORA then recommends that parties be allowed to comment on the reasonableness of the SMJUs' proposal. We do not believe this process is necessary. Rather, the SMJUs shall provide all information required by the *Report* beginning with their August 1, 2004 report. If they do not have information that the *Report* requires as of that date because it is not yet in their possession, they should request the information from their contractors for inclusion in the report. However, if the information is in the SMJUs' possession, but simply is not kept or organized in the way the *Report* requires, or costs for the LIEE and CARE programs are not segregated from the SMJUs' other costs, the SMJUs shall nonetheless comply with the *Report* and shall not omit required information.

B. Mountain Utilities

One of the SMJUs, Mountain Utilities, expressed concern in its PHC statement about the cost of participating in this proceeding, and requested some form of relief from participation. Mountain Utilities' counsel represented at the PHC that the company has no low-income customers, since it serves a recreational ski resort community. Counsel added that most of the customers receive their bills at a separate zip code from the resort, suggesting that most of the customers' homes in Mountain Utilities' territory are second, vacation homes. No party objected at the PHC to Mountain Utilities being excused from participating in the LIEE and CARE programs, and in D.02-08-051, we excused Mountain Utilities from participating.

We are satisfied based on counsel's representation that it is appropriate to excuse Mountain Utilities from participation in the LIEE and CARE programs – and consequently this proceeding – at this time. However, should the nature of Mountain Utilities' customer base change such that it knows – or has reason to know – that it has low income customers in its service territory, we may revise this determination at a later date.

C. Two-Year Program Cycle

The IOUs and SMJUs suggested that the Commission place their LIEE/CARE program applications on a two-year cycle so that they would not be required to reapply for funding this year. The utilities proposed to continue existing programs until 2005, and then apply for a two-year program period in summer 2005.

We reject the requests for a two-year cycle at this time. The utilities last filed LIEE applications on July 2002, in A.02-07-001, *et al.*, for 2003 LIEE programs. They filed no applications in 2003 for 2004 programs. Requiring new

applications at this time therefore does not work a hardship, and helps the Commission remain informed as to the full range of utility program offerings.

All utilities – IOUs and SMJUs – shall file applications for LIEE and CARE funding on July 1, 2004. The utilities may renew their request for a two-year program cycle in 2005, for the 2006-07 program years.

D. Cost Information in Possession of Third Party Contractors

In D.03-11-020, the Commission directed that the IOUs include specific tables and costs with their July 1, 2004 program applications for 2005.⁵ In their PHC statements, the IOUs questioned whether they would be able to obtain all of the ordered information to the extent that information lies in the hands of third party contractors. ORA objected to this stance, stating that IOUs should be able to request such cost information and furnish it to the Commission as needed. Any reasonable confidentiality concerns the third parties raise may be dealt with by placing competitively sensitive cost information under seal. The need for confidentiality does not defeat the IOUs' obligation to provide information justifying their costs.

Thus, the IOUs shall, with their 2005 program applications, provide information regarding their costs, including information in the possession of third party contractors. To the extent possible, the IOUs shall endeavor to make the third party contractor-provided information consistent across contractors so cost comparisons are possible.

⁵ D.03-11-020, ordering paragraphs 2 and 4.

E. Cool Centers

“Cool centers” are programs to subsidize air conditioning bills at locations where seniors and low-income persons congregate, such as senior centers and community centers. Subsidies for such persons do not fit precisely under the LIEE or CARE rubric, since they are not energy efficient appliances and weatherization measures (LIEE) or direct rate assistance to utility customers (CARE). However, the total statewide IOU budgets for these programs have not exceeded \$1 million, and it therefore makes sense to deal with funding for cool centers here rather than swallowing the funding up in the IOUs’ general rate cases or opening a separate proceeding to consider their funding. We will therefore require the IOUs who seek cool center funding in 2005 to do so with their 2005 applications, due on July 1, 2004. The utilities shall work together with ORA and submit their proposals for cool centers using consistent treatment and funding proposals.

The Energy Division or the Commission will act expeditiously on existing advice letter filings for cool centers for 2004. To the extent any IOU that intends to request funding for cool centers in 2004 has not yet filed an advice letter seeking to provide cool center services for 2004, it shall do so immediately.

F. Updating Income Eligibility Estimates

The IOUs noted in their PHC statements that each year in June, they make an annual filing reflecting income eligibility for the CARE program and their CARE program goals. They base their filing on census data that is generally not available until the Fall of each year. Thus, at the PHC, the ALJ granted an extension to September 15, 2004 for the IOUs to make their CARE income eligibility estimates, and agreed to rule in this scoping memo on the general issue of whether the filing should be postponed to the Fall each year. The Energy

Division informs us that the census data has generally necessitated an annual extension of time for this report. We thus are persuaded that the updated income eligibility estimates should be made each year in the Fall rather than in June. We will set September 15 as the date these annual filings should be made.

G. Utility Bill Arrearages

In its PHC statement, Latino Issues Forum (LIF) noted that it had recently heard a presentation from the Commission's Consumer Protection and Safety Division regarding service disconnections by the large IOUs due to bill arrearages. LIF opines that this is an issue related to low-income customers because customers who have their service terminated tend to be low-income or of very modest income. According to LIF, PG&E's shutoff rate is proportionately higher than that of the other utilities. LIF suggests that we inquire in this proceeding why there is a differential (assuming the data indicates that there is one) among the utilities.

The representative from AARP suggested that we await the outcome of the CARE needs assessment survey until looking at the issue of disconnections: "[U]ntil we have an indication about what impact this [CARE] discount has on the ability to retain utility service, linking CARE customers with disconnection and payment trouble status at the utilities, until we get that kind of broad data, we are operating without very good information to allow us to design a program that might amend how CARE works or what it delivers and so forth."⁶

⁶ Reporter's Transcript (RT), May 18, 2004, at 37:3-10.

The ORA representative agreed that arrearages are an issue the Commission should examine, but stated that this proceeding may not be the appropriate place to do so.

The Energy Division is currently examining this issue and we will make a ruling giving the parties guidance later in this proceeding.

H. Funding For CO Testing

Over the years, the IOUs have alternatively recovered funding for testing appliances for CO emissions from PGC funds and as part of their general rate cases (GRC). It is our preliminary view that such funding should be recovered as part of the IOUs' GRCs, to minimize the risk of double recovery. If all expenditures are accounted for in one place, rather than dispersed according to whether they relate to low-income or non-low-income customers, we believe it is more likely that we will not overfund such services. If the IOUs desire to change what we believe to be the *status quo*⁷ requiring them to recover such costs in their GRCs, they shall file a motion for Commission consideration as part of this proceeding detailing why we should deviate from the *status quo*, and how ratepayers would benefit from allowing CO testing cost recovery out of PGC funds. However, we are not inclined to change the *status quo*.

⁷ See, e.g., Resolution E-3515, issued December 16, 1997 (rejecting PG&E's request to charge Combustion Appliance Safety (CAS) testing to its LIEE program, stating, "PG&E shall remove the cost of the carbon monoxide testing from its direct assistance program, and instead provide the carbon monoxide testing as a part of its routine service. The cost of carbon monoxide testing for PG&E is already provided for in rates and it is unreasonable to reduce low-income energy efficiency program funds by a similar amount."); D.00-07-020 (confirming policy that CAS testing conducted under the LIEE programs should not be billed to the LIEE program or other public purpose funds).

I. Pilot Project

At the PHC, the LIOB representative noted that at a meeting held on May 17, 2004, the LIOB voted unanimously to have the Board request that the electric utilities consider conducting a pilot program or setting aside funds for service and maintenance on central air conditioning systems. The program would ensure that appliance pressures are correct and that appliances are clean so customers obtain optimal energy efficiency from their current appliances. The IOUs shall consult with the LIOB or an LIOB representative on this issue and address the feasibility of such a project in their July 1, 2004 LIEE program application filings.

J. Rapid Deployment “Go Back” Rules

In their PHC statements, the IOUs noted that the current Rapid Deployment “Go-Back” rules established in D.01-05-033 to help save energy during the energy crisis should be revisited. Without opining on the merits of the IOUs’ proposal, we find that this issue is properly within the scope of this proceeding.

K. Shareholder Incentive Mechanisms, Measurement and Evaluation (M&E) Framework and Bill Savings Report

The IOUs also asked in their PHC statements that we revisit the shareholder incentive mechanism, M&E framework and Bill Savings report in this proceeding.⁸ These issues are not within the scope of this proceeding, but rather should be handled in the IOUs’ AEAP proceedings.

⁸ See D.02-12-019 (authorizing return to bi-annual M&E studies, beginning with PY2002); D.01-05-033 (outlining Rapid Deployment effort, of which annual Bill Savings report to be a part).

L. Master Metered Customers' Eligibility for CARE Discount

LIF asked us to consider extending CARE benefits to master-metered customers. This is an issue properly within the scope of this proceeding.

M. CARE Recertification

LIF asked us to consider revising our requirements for CARE recertification (a process by which CARE recipients re-establish their eligibility for CARE benefits) for occupants of multiple dwelling units. This is an issue properly within the scope of this proceeding.

N. Automatic Enrollment

Several parties ask for meetings or workshops with regard to our efforts to promote automatic enrollment of eligible customers in the CARE program. It is premature to set a meeting or workshop in this area, but we will have the Energy Division inform the service list of the current status of efforts in this regard.

IV. Hearing Preparation

As noted in the scope and schedule table above, we anticipate the need for hearings with regard to only one issue (Carbon Monoxide [CO] thresholds – item 6 on table above). We do not anticipate other hearings.

The CO threshold hearing will occur on July 26-27, 2004 at the Commission, 505 Van Ness Avenue, San Francisco, from 10 a.m. – 4 p.m. each day. Parties intending to participate in the hearing shall comply with the ALJ's Hearing Room Ground Rules (Appendix A hereto).

The CO threshold hearing shall focus on the following issues at a minimum:

- How the current IOU CO thresholds were set. (In D.03-11-020, the Commission required the IOUs to submit a consistent set of CO flue thresholds, by combustion appliance, to be used by the utilities in conducting any flue CO tests for diagnostic purposes.

The reason for the IOUs' flue CO threshold discrepancy and a determination of whether a consistent flue CO threshold is feasible and safe is the primary purpose for the July 26-27 hearings.)

- Whether there have been any safety incidents resulting from CO exposures above the thresholds the IOUs use.
- The numbers of appliances taken out of service for the period 2000-2004 (to date) due to those appliances' emission of CO exceeding each IOU's threshold.
- Whether and how the low-income ratepayers whose appliances were taken out of service for exceeding a threshold obtained replacement appliances. The percentages of ratepayers receiving replacement appliances and not receiving such appliances, and how the former were paid for.

Parties shall use the same outline for any opening and responsive briefs they file in connection with this proceeding. Parties should seek to agree on that outline. Disputes may be presented to ALJ Thomas.

V. Service List

The official service list is now on the Commission's web page at http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm. Parties should confirm that the information on the service list and the accompanying comma-delimited file is correct, and serve notice of any errors on the Commission's Process Office, the service list and the ALJ.

Parties shall serve hard copies of all briefs, testimony and other documents furnished to the Commission on all parties listed on the service list, including those identified as "State Service." Parties are not required to serve hard copies of such documents on those listed under "Information Only," but shall serve individuals or entities on the "Information Only" list that have provided an e-

mail address electronically with all such documents. The e-mail addresses are listed on the Commission's website under "Case Info" in the "comma delimited file" at http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm.

Parties shall copy the assigned ALJ on any pleadings or other documents (save discovery) by e-mail at srt@cpuc.ca.gov and regular mail.

VI. Commission's Public Advisor

Anyone who needs assistance with participation in this proceeding should make use of the resources on the Commission's web site, www.cpuc.ca.gov, or should contact our Public Advisor's Office, which is available to help parties understand how to participate in a proceeding, how to file a pleading, and to answer other questions about Commission procedure. The Northern California office can be reached at 415-703-2074 or public.advisor@cpuc.ca.gov.

Therefore, **IT IS RULED** that:

1. The scope and schedule of this proceeding are described above.
2. This proceeding may extend beyond 18 months due to the ongoing nature of Low Income Energy Efficiency and California Alternate Rates For Energy services.
3. Parties shall use a common outline for any briefs they submit in this proceeding, shall meet and confer in an attempt to create such an outline, and shall bring disputes to Administrative Law Judge Thomas for resolution.
4. Parties shall comply with the Hearing Ground Rules set forth in Appendix A hereto at any hearing that occurs in this proceeding.
5. A hearing on the carbon monoxide threshold issue will take place on July 26-27, 2004 at the Commission, 505 Van Ness Avenue, San Francisco, from 10 a.m. – 4 p.m.

6. The official service list appears on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm. Parties shall confirm that the information on the service list and the accompanying comma-delimited file is correct, and serve notice of any errors on the Commission's Process Office, the service list and the ALJ.

7. Parties shall serve hard copies of all briefs, testimony and other documents furnished to the Commission on all parties listed on the service list, including those identified as "State Service." Parties are not required to serve hard copies of such documents on those listed under "Information Only," but shall serve individuals or entities on the "Information Only" list that have provided an e-mail address electronically with all such documents. The e-mail addresses are listed on the Commission's website under "Case Info" in the "comma delimited file" at http://www.cpuc.ca.gov/published/service_lists/R0401006_63968.htm.

8. Parties shall copy the assigned ALJ on any pleadings or other documents (save discovery) by e-mail at srt@cpuc.ca.gov and regular mail.

9. To the extent any large investor owned utility (IOU) has not yet filed an advice letter seeking to provide cool center services for summer 2004, it shall do so immediately.

10. Large IOUs Southern California Edison (Edison), Southern California Gas Company (SoCalGas), San Diego Gas and Electric Company (SDG&E), and Pacific Gas and Electric Company (PG&E) shall make an annual filing reflecting income eligibility for the CARE program and their CARE program goals on September 15, rather than in June, as has been the case in previous years.

Dated June 24, 2004, at San Francisco, California.

/s/ SARAH R. THOMAS
Sarah R. Thomas

/s/ CARL WOOD
Carl Wood

Administrative Law Judge

Assigned Commissioner

Appendix A

Hearing Room Ground Rules ALJ Sarah Thomas

1. All prepared written testimony should be served by email and hard copy mail on all appearances and state service on the service list, as well as on the Assigned Commissioner's office and on the Assigned ALJ. Prepared written testimony shall not be filed with the Commission's Docket Office.
2. Each party sponsoring an exhibit should, in the hearing room, provide two copies to the ALJ and one to the court reporter, and have copies available for distribution to parties present in the hearing room.
3. The lower right hand corner of the exhibit cover sheet should be blank for the ALJ's exhibit stamp. If there is not sufficient room in the lower right hand corner for an exhibit stamp, please prepare a cover sheet for the exhibit.
4. As a general rule, if a party intends to introduce an exhibit in the course of cross-examination, the party should provide a copy of the exhibit to the witness and the witness' counsel before the witness takes the stand on the day the exhibit is to be introduced. A party is not required to give the witness an advance copy of the document if it is to be used for purposes of impeachment or to obtain the witness' spontaneous reaction.
5. Corrections to an exhibit should be made in advance and not orally from the witness stand. Corrections should be made by providing new exhibit pages on which corrections appear. The original text to be deleted should be lined out with the substitute or added text shown above or inserted. Each correction page should be marked with the word "revised" and the revision date.
6. Individual chapters of large, bound volumes of testimony may be marked with separate exhibit numbers, as convenient.
7. Partial documents or excerpts from documents must include a title page or first page from the source document; excerpts from lengthy documents should include a table of contents page covering the excerpted material.
8. Parties should agree on an exhibit numbering scheme in advance of hearing. One party may use exhibits 1-100, the next party may use 101-200, and so on. All exhibits shall be pre-marked with their number and the name of the sponsoring party.

9. Confidential exhibits should bear the appropriate exhibit number and be followed by the letter "C." A redacted copy of such an exhibit shall also be provided for the public record. Thus, the confidential version of Exhibit 1 will be marked Exhibit 1-C, and the redacted (public) version of the document will be marked Exhibit 1.
10. During the hearing, the ALJ may ask one party to create a running exhibit list (with designation of the sponsoring party, the name of the document, whether exhibits are in evidence, and the date on which they were identified and received in evidence) and furnish it to the ALJ and all other parties.
11. No food is allowed in the hearing room; drinks are allowed if you dispose of containers and napkins every morning and afternoon.

(End of Appendix A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Scoping Memo of Assigned Commissioner and Administrative Law Judge on all parties of record in this proceeding or their attorneys of record.

Dated June 24, 2004, at San Francisco, California.

/s/ ELIZABETH LEWIS

Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.